



Department Description

The City Comptroller Department performs the general accounting and financial reporting functions for the City of San Diego. The Department has eleven primary sections that service the financial accounting needs of the City. Included within its scope of responsibility are the following: financial reporting, including the Consolidated Annual Financial Report (CAFR); governmental accounting for all funds including the general fund; payroll accounting and processing for all City employees; disbursements of all City obligations which includes vendor invoice payments and contract debts; Redevelopment agency accounting and reporting for the City's seventeen redevelopment districts; Public Utility and other enterprise and internal service fund accounting; long-term debt accounting and reporting; grant management and accounting for all City grants; fixed asset accounting; construction-in-progress (CIP) accounting which includes all ongoing building projects, and internal controls over financial reporting and operations.

The Department's mission is:

To provide timely and accurate financial services and information to City management, elected officials, and the public in order to effectively manage public resources

Goals and Objectives

The following are the strategic goals and objectives for the Department.

Goal 1: Provide accurate and timely accounting services to the City

The Department will move toward accomplishing this goal by focusing on the following objectives.

- Organize accounting sections to provide the right level of service to each of the Department's internal customers
- Work closely with the SAP ERP Support organization to identify system risks and enhancements that improve the Department's operational effectiveness

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- Work with customer department management and staff to help develop more streamlined transaction processing workflows

Goal 2: Provide high quality financial reports in a timely manner

The Department will move toward accomplishing this goal by focusing on the following objectives.

- Continue to develop comparative interim period actual-to-budget summary financial reports for public presentation
- Develop a set of SAP summary and detail financial reports for management
- Continue to develop key metric databases and reports; push key metric reports out to management in a timely manner to allow them to gauge department performance and make real time-decisions that affect operational efficiency

Goal 3: Engage in continuous improvement of the City's internal controls over financial reporting and operations

The Department will move toward accomplishing this goal by focusing on the following objectives.

- Continue to develop process narratives and process workflow documents to further define transactional processes across all operations and define the key internal control elements within each process
- Develop automated and manual testing routines utilizing the SAP GRC (Governance, Risk and Compliance) tool; begin testing material key internal control elements
- Encourage active participation and ownership of internal control processes and monitor progress
- Maintain and monitor an audit recommendation database to ensure that all agreed-to audit recommendations get implemented across City department operations

Goal 4: Hire, retain, and develop a skilled professional workforce

The Department will move toward accomplishing this goal by focusing on the following objectives.

- Effectively monitor employee performance and set individual and group target goals
- Cross-train employees to create a flexible workforce within the Department
- Promote training and professional development to keep employee skill sets current with technical accounting issues and technology

Service Efforts and Accomplishments

Fiscal Year 2011 has been a challenging year as issues with the SAP payroll financial interface to the general ledger prevented the Department from the timely closing of the Fiscal Year 2010 year-end financial statements and delayed its ability to produce the Comprehensive Annual Financial Report (CAFR). The Department worked with the City's IT group to problem-solve and develop new software to address the erroneous posting errors. This was a highly complex task that required all of the available resources within the Department. In the end, a proper solution was implemented which permanently remediated the root cause of the problems.

The fully-integrated SAP system had its advantages this year as the Department was able to use comprehensive datasets to produce two monitoring reports which were distributed to City management. These reports measured key performance metrics and executive management set target achievement goals for all City departments. The first report measured the City's ability to pay vendor invoices on-time according to the terms of the vendor purchase order or contracts (see results below under 'Key Performance Indicators'). The second report measured four aspects of employee payroll submission and approval. The measurement and monitoring of this metric improved overall compliance across all City departments from 80% to over 90% (target goal is 95%).

The Department's efforts in internal controls were productive this year. The Department made good progress on developing process narratives and process workflow documents (see results below under 'Key Performance Indicators'). The Department also developed a comprehensive Master Audit Database that catalogs all open and completed audit recommendations from both external and internal audits. A series of monthly reports measures and

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indicates the timeliness of City management's progress in implementing agreed-to audit recommendations. New automated and manual internal control tests were developed and implemented through the SAP GRC tool. These tests measure if specific key material internal controls are operating as designed.

Key Performance Indicators

Performance Measure	Actual FY2010	Estimated FY2011
Percentage of invoices paid on-time City-wide according to the terms established with each vendor	22%	70%
The cumulative number of completed internal control process narrative documents and process flow diagrams completed and posted to the City Internal Controls Document Repository	60	211
The number of City-wide internal and external audit recommendations identified during the fiscal year	222	114
The number of audit recommendations completed by management during the fiscal year	153	191
The cumulative number of outstanding audit recommendations remaining to be completed by management at the fiscal year-end	251	124



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Department Summary

	FY2011 Budget	FY2012 Proposed	FY2011–2012 Change
Positions	81.00	79.75	(1.25)
Personnel Expenditures	\$ 9,122,813	\$ 9,209,265	\$ 86,452
Non-Personnel Expenditures	957,237	957,707	470
Total Department Expenditures	\$ 10,080,050	\$ 10,166,972	\$ 86,922
Total Department Revenue	\$ 2,541,760	\$ 2,541,760	\$ -

General Fund

Department Expenditures

	FY2011 Budget	FY2012 Proposed	FY2011–2012 Change
City Comptroller	\$ 892,276	\$ 10,166,972	\$ 9,274,696
Gov't Accounting & Grants	2,427,178	-	(2,427,178)
Gov't Accounting Fin Reporting & CAFR	2,407,417	-	(2,407,417)
Proprietary & RDA	1,689,213	-	(1,689,213)
Systems Payments & Internal Controls	2,663,966	-	(2,663,966)
Total	\$ 10,080,050	\$ 10,166,972	\$ 86,922

Department Personnel

	FY2011 Budget	FY2012 Proposed	FY2011–2012 Change
City Comptroller	3.00	79.75	76.75
Gov't Accounting & Grants	20.00	0.00	(20.00)
Gov't Accounting Fin Reporting & CAFR	21.00	0.00	(21.00)
Proprietary & RDA	14.00	0.00	(14.00)
Systems Payments & Internal Controls	23.00	0.00	(23.00)
Total	81.00	79.75	(1.25)

Significant Budget Adjustments

	FTE	Expenditures	Revenue
Equipment/Support for Information Technology Funding allocated according to a zero-based annual review of information technology funding requirements and priority analyses.	0.00	\$ 383,584	\$ -
Non-Discretionary Adjustment Total expenditure allocations that are determined outside of the department's direct control. These allocations are generally based on prior year expenditure trends and examples of these include utilities, insurance, and rent.	0.00	240,924	-
Reduction of Training Expenditures Reduction of training expenditures. Reducing the training budget will lead to a reduction in training opportunities for accounting staff.	0.00	(57,293)	-

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Significant Budget Adjustments (Cont'd)

	FTE	Expenditures	Revenue
Reduction of Word Processing Operator	(1.00)	(71,677)	-
Reduction of 1.00 Word Processing Operator. The reduction may cause a slight delay in the completion of current duties, with the most noticeable impact being the coverage of external phone calls and secretarial support.			
Total	(1.00)	\$ 495,538	\$ -

Expenditures by Category

	FY2011 Budget	FY2012 Proposed	FY2011-2012 Change
PERSONNEL			
Salaries and Wages	\$ 5,399,539	\$ 5,398,304	\$ (1,235)
Fringe Benefits	3,723,274	3,810,961	87,687
PERSONNEL SUBTOTAL	\$ 9,122,813	\$ 9,209,265	\$ 86,452
NON-PERSONNEL			
Supplies	\$ 135,989	\$ 133,447	\$ (2,542)
Contracts	284,496	321,573	37,077
Information Technology	471,864	383,584	(88,280)
Energy and Utilities	51,957	62,961	11,004
Other	10,931	54,142	43,211
Capital Expenditures	2,000	2,000	-
NON-PERSONNEL SUBTOTAL	\$ 957,237	\$ 957,707	\$ 470
Total	\$ 10,080,050	\$ 10,166,972	\$ 86,922

Revenues by Category

	FY2011 Budget	FY2012 Proposed	FY2011-2012 Change
Charges for Services	\$ 2,516,760	\$ 2,516,760	\$ -
Other Revenue	25,000	25,000	-
Total	\$ 2,541,760	\$ 2,541,760	\$ -

Personnel Expenditures

Job Number	Job Class	Job Title / Wages	FY2011 Budget	FY2012 Proposed	Salary Range	Total
Salaries and Wages						
20000010	1103	Account Audit Clerk	7.00	7.00	\$33,114 - \$39,832	\$ 271,852
20000866	1842	Accountant 2	21.00	21.00	54,059 - 65,333	1,282,142
20000007	1100	Accountant 3	13.00	14.00	59,363 - 71,760	825,114
20000102	1183	Accountant 4	13.00	12.75	66,768 - 88,982	965,439
20000024	1107	Administrative Aide 2	2.00	2.00	42,578 - 51,334	100,102
20001105	2137	Comptroller	1.00	1.00	34,694 - 207,210	154,786
20000924	1876	Executive Secretary	1.00	1.00	43,555 - 52,666	51,349
20001172	2217	Financial Operations Manager	4.00	4.00	25,376 - 148,200	525,455
20000681	1649	Payroll Audit Specialist 2	5.00	5.00	39,686 - 48,069	234,335
20000936	1886	Payroll Audit Supervisor-Auditor	1.00	1.00	47,986 - 57,949	56,500
20001182	2228	Principal Accountant	9.00	8.00	19,323 - 151,840	798,971
20000054	1133	Senior Account Audit Clerk	3.00	3.00	37,877 - 45,677	130,803
20000927	1879	Senior Clerk/Typist	1.00	0.00	36,067 - 43,514	-

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Personnel Expenditures (Cont'd)

Job Number	Job Class	Job Title / Wages	FY2011 Budget	FY2012 Proposed	Salary Range	Total
		Bilingual - Regular				1,456
Salaries and Wages Subtotal			81.00	79.75		\$ 5,398,304
Fringe Benefits						
		Employee Offset Savings				\$ 106,047
		Flexible Benefits				569,457
		Long-Term Disability				47,946
		Medicare				80,839
		Other Post-Employment Benefits				484,571
		Retiree Medical Trust				342
		Retirement 401 Plan				1,366
		Retirement ARC				2,015,418
		Retirement DROP				2,821
		Retirement Offset Contribution				104,030
		Risk Management Administration				77,236
		Supplemental Pension Savings Plan				253,422
		Unemployment Insurance				11,720
		Workers' Compensation				55,746
Fringe Benefits Subtotal						\$ 3,810,961
Total Personnel Expenditures						\$ 9,209,265